Establishment of Paper Unit in Uttar Pradesh

1955. SHRI KALRAJ MISHRA: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether it is a fact that the Hindustan Paper Corporation Ltd. (HPC) proposes to set up a paper unit in Uttar Pradesh;

(b) if so, the details thereof;

(c) whether Government would provide Budgetary support to the Unit;

(d) if so, the details thereof; and

(e) the status of the project and the timeline for the completion of project?

THE MINISTER OF STATE IN THE DEPARTMENT OF HEAVY INDUSTRIES, MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRIMATI KANTI SINGH): (a) Yes, Sir.

(b) to (d) The details of the project are as follows:—

(i) HPC, a Central Public Sector Enterprises intends to form a subsidiary to set up a new Paper Mill at Jagdishpur, Distt. Sultanpur (Uttar Pradesh) at an estimated cost of Rs. 2742 crore (constant cost basis).

(ii) The subsidiary company will have 51% equity holding by HPC and shall raise balance 49% equity from the capital market at an appropriate premium through IPO.

(iii) Government has agreed to provide a loan of Rs. 255 crore to HPC at an interest rate of 8% p.a. enabling HPC to subscribe by way of promoters' 51% contribution as equity in the new subsidiary company.

(iv) To set up a Special Purpose Vehicle (SPV) in the form of Co-operative Society under the Multi-State Co-operative Societies Act, 1984 for carrying out farm forestry activities for ensuring sustained raw material availability for the project.

(e) Status of the project as on 29.02.2008 is as follows:—

(i) Post of Managing Director for Jagdishpur Paper Mill Ltd. has been created.

(ii) Name of the new subsidiary company as accepted by Registrar of Companies, Kanpur (UP) is Jagdishpur Paper Mills Limited.

Application for registration of the company as per Companies Act has been filed. Zero date will be from the date of listing the new company, Jagdishpur Paper Mills Limited, in the National Stock Exchange. The project duration of Phase-I is 30 months from the zero date.

Revival of HEC

1956. SHRI GIREESH KUMAR SANGHI:
SHRI SANTOSH BAGRODIA:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the revival of Heavy Engineering Corporation (HEC) has been referred to Board for Reconstruction of Public Sector Enterprises (BRPSE);

(b) if so, on which date;

(c) whether the BRPSE has recommended company's revival;

(d) if so, on which date;

(e) the details of the revival plan waivers and new investments in the Country;

(f) whether the revival has been approved by Government;

(g) if so, on which date; and

(h) the details of timeline for completing the revival plan?

THE MINISTER OF STATE IN THE DEPARTMENT OF HEAVY INDUSTRIES, MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRIMATI KANTI SINGH): (a) and (b) Yes, Sir. The revival plan of Heavy Engineering Corporation (HEC) has been referred to Board of Reconstruction of Public Sector Enterprises (BRPSE) on 13.09.2005.

(c) and (d) Yes, Sir. BRPSE has recommended company's revival on 7.10.2005.

(e) The revival plan inter-alia includes (i) Waiver of non-plan loan and interest on plan and non-plan loan as on 31.03.2005 of Rs. 1101.03 crores and (ii) To provide a non-plan Bridge Loan of Rs. 102.00 crores, which will be repaid in three years.

(f) and (g) Yes, Sir. The revival has been approved by the Government on 15.12.2005.

(h) The revival plan of the company also includes settlement of electricity dues of Jharkhand State Electricity Board, Government of Jharkhand of Rs. 500 crores by transferring commensurate amount of land of the company to the state Government. However the matter is subjudice before the Jharkhand High Court. It may not therefore be possible to give any time frame for completing the revival plan.

Refining of Crude Oil from Barmer region

†1957. SHRI LALIT KISHORE CHATURVEDI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the status of refining project of oil found in Barmer area and by when refinery would be set up to refine the oil; and

(b) whether crude oil or refined oil would be supplied from Barmer through pipeline which has been approved for oil supply?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) The proposal for setting up a refinery at Barmer in Rajasthan is under the consideration of Oil and Natural Gas Corporation Limited (ONGC)/Mangalore Refinery and Petro-Chemicals Limited (MRPL), a subsidiary of ONGC.

ONGC/MRPL has reported that economic viability of this high investment requires fiscal incentives and other benefits from the Government of Rajasthan. ONGC/MRPL have requested the State Government to consider the required fiscal incentives and support for the viability of huge investments in the Well-head Refinery Project. Currently, ONGC and

†Original notice of the question was received in Hindi.